

Acceptance of Federal License to Operate Boundary Hydroelectric Project

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Supersedes	N/A		
Key Contacts		Phone	Short Title
	Barbara Greene	615-1091	Manager, Boundary Relicensing & Implementation Division
Council Action Required?	Yes	If YES, within the next 3 months?	
		Yes	
Public Hearing Required?	No		
Presenters (if applicable)	Jorge Carrasco, <i>Superintendent</i> Barbara Greene, <i>Manager, Boundary Relicensing & Implementation Division</i>		

Summary Statement

The City Light Department is requesting City Council acceptance of a new federal license to operate Boundary Hydroelectric Project from the Federal Energy Regulatory Commission. Issuance of the new license will occur in fall 2012 and is anticipated to be consistent with the settlement agreement filed with FERC by Seattle City Light on March 29, 2010 that provided for mitigation efforts in the areas of fisheries, water quality, terrestrial, erosion, recreation, aesthetic and cultural resources. The new license will ensure continued flexibility to operate as we have in the past, allowing the City to continue to offer clean and affordable power to its ratepayers.

Background

The Boundary Project (Project) is owned and operated by Seattle City Light under a license administered by the Federal Energy Regulatory Commission (FERC). The current license was issued in October 1961 and expired on September 30, 2011. In accordance with the Federal Power Act, Seattle City Light filed an application with FERC for a new license to operate Boundary Dam on September 30, 2009 and was followed by the filing of a comprehensive settlement agreement with FERC March 29, 2010.

A critical central component of SCL's approach to mitigation measures for Boundary is to protect and enhance native target fish species. SCL has proposed significant commitments to off-site mitigation measures in the tributaries where there is a greater likelihood of more success in enhancing habitat for these species (bull trout, westslope cutthroat trout, and mountain whitefish). In exchange for these off-site measures, SCL will keep operations the same for the next license term, which will be determined by FERC in the final license order but will be between 44 – 50 years.

Many of these off-site measures will be conducted in the Pend Oreille PUD's Sullivan Project area in conjunction with the decommissioning of that project, which is located on Sullivan Creek, the largest tributary to the Boundary reservoir.

The most significant of these measures is SCL's contribution to the removal of one of the 2 dams in this project – Mill Pond Dam, which is a natural barrier to native fish in Sullivan Creek. Towards this effort, SCL and the Pend Oreille PUD requested, and FERC approved, the merging of the Boundary Project relicensing and PUD's Sullivan Project decommissioning on the FERC docket. The result will be the issuance of both FERC orders at the same time which will allow the implementation of these measures to stay on the same schedule.

Key Issues

Consistency with Boundary Settlement Agreement

The Superintendent will inform the City Council in the event that the new federal license is substantially inconsistent with the Boundary Settlement Agreement.

Next Steps

Once the new license order is issued Seattle City Light will implement the new license measures.